

Rates: What is the fairest way to distribute the cost of services?

Is the current rating system fair? Council believes that it is right and reasonable to expect that those who benefit from the services provided by rates, should pay for the services.

Council has determined that the current rating differentials used to distribute the benefit do not adequately ensure that the benefits are being shared fairly among the different ratepayer groups.

Differentials (weightings) are applied to General Rates, Roothing Targeted Rates and Parks, Reserves and Sports Grounds Targeted Rates recognising that different ratepayer groups in the community may benefit from these services to a varying degree.

Option one

Council will adjust the Rating Differentials as proposed below and introduce the changes in 2018/19, with the exception of the General Rate differential which will be phased over a three-year period for Rural ratepayers only.

Changes to the Roothing Rate differential and the Parks, Reserves and Sports Grounds Rate differential would be introduced in 2018/19.

Rates for ratepayers in the Rural and Feilding Rural rating areas would increase as result of higher rating differentials. Rates for ratepayers in the Feilding CBD rating area would decrease as a result of lower rating differentials.

The rating differentials for ratepayers in the Feilding Residential and Industrial and Commercial rating areas will not change.

As the changes proposed will result in other ratepayer groups paying an increased proportion of total rates, this will leave a smaller proportion to be covered by the Feilding Residential and Industrial and Commercial ratepayers, and as a consequence, their rates will decrease as a result of this proposal. Other rates for these ratepayers (and others) will increase as a result of other proposals in this plan.

Option two

Council will adjust the Rating Differentials and introduce all changes in 2018/19.

Under this option, all changes will be introduced as of 1 July 2018, with no phase-in for the General Rates paid by Rural ratepayers

Rating Area	General Rate			Roothing Targeted Rate		Parks, Reserves and Sports Grounds Targeted Rate		
	Current 2017/18	Proposed from			Current 2017/18	Proposed from 2018/19	Current 2017/18	Proposed from 2018/19
		2018/19	2019/20	2020/21				
Rural	0.4	0.6	0.8	1	0.65	1	0.3	No change
Feilding Rural	0.5	1			0.65	1	0.3	1
Feilding Residential	1	No change			1	No change	1	No change
Feilding CBD	2.25	1.6			2.75	1	2.75	No change
Industrial and Commercial	1.6	No change			1.5	No change	1.5	No change
Utilities	1.6	No change			1.75	No change	1.75	No change

This proposal does not include any changes to the Uniform Annual General Charge, Makino Aquatic Centre and Libraries Targeted Rate or any other service rates, e.g., Kerbside Recycling Targeted, Water Supply Targeted Rates—Urban

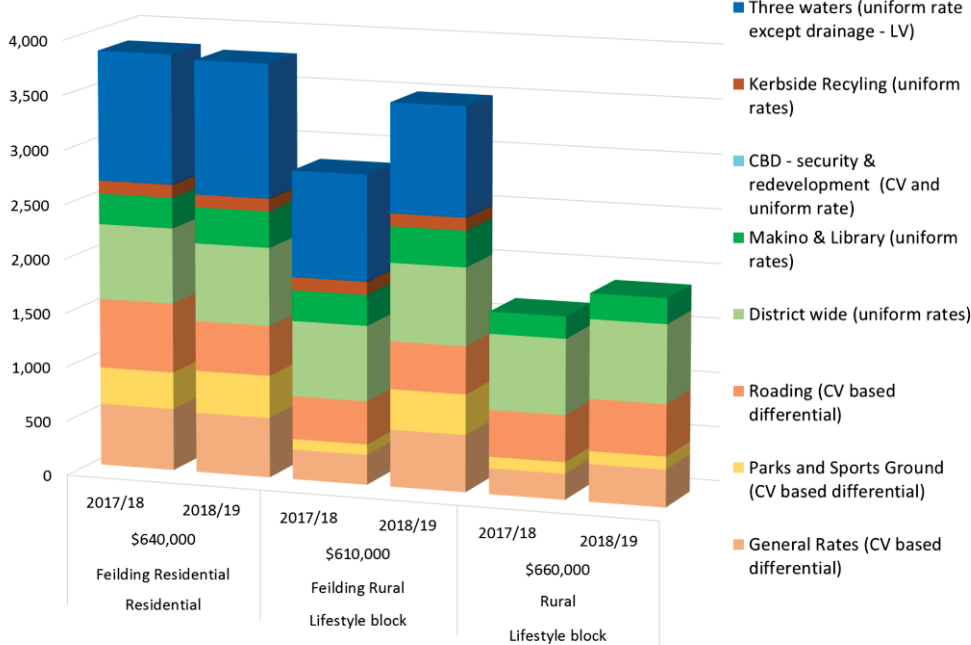
Preferred Option

Council will adjust the rating differentials and introduce the changes over a three-year period

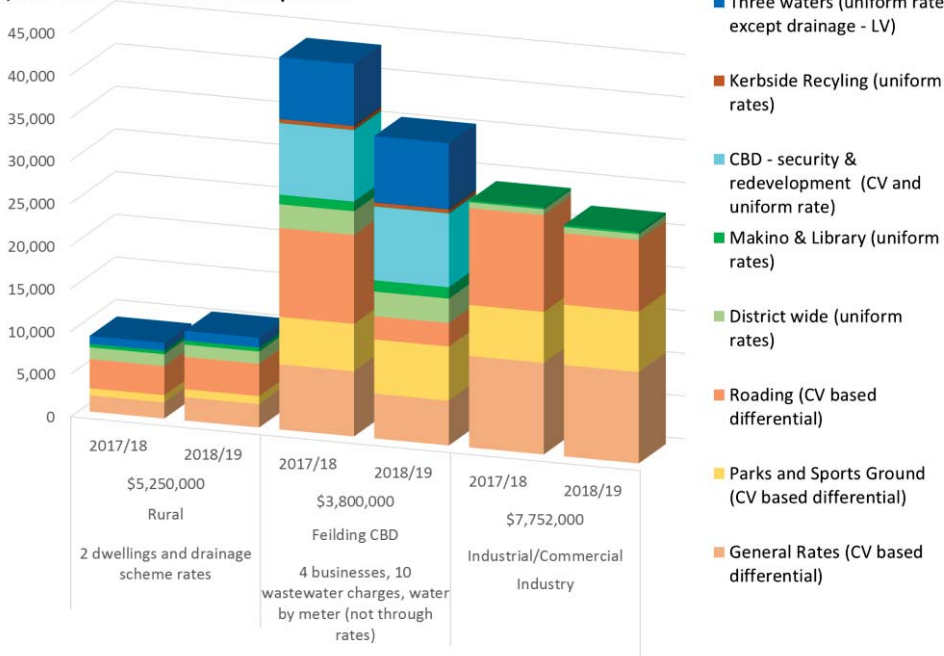
How will this affect my rates?

The differential changes will only apply to the **capital value portion** of your rates. Other increases may be made due to inflation and costs associated with service delivery for services such as Kerbside Recycling and Water Supply etc.

Feilding Rural & Residential rates comparison



Rural, CBD and Industrial rates comparison



To guide decision-making Council has agreed to the following principles:

- Rates are proportional to the capital value of the property
- Rural and Residential ratepayers benefit equally from services funded by the General Rate, e.g., economic development and community development
- Properties in the Industrial and Commercial, CBD and Utilities areas benefit more than Rural and Feilding Residential properties from economic development
- Rural, Feilding Residential and CBD ratepayers benefit equally from the roading network
- Industrial and Commercial, and Utilities ratepayers place greater demand on the roading network than other ratepayer groups, and should pay more towards its maintenance
- Parks, Reserves and Sports Grounds rates are used to develop and maintain parks, reserves and sports grounds throughout the District. CBD ratepayers obtain significant benefit from a vibrant and attractive town centre and streetscape plantings so contribute more towards Parks, Reserves and Sports Grounds. Utilities, Industrial and Commercial, Feilding Residential and Feilding Rural ratepayers also receive moderate benefits, while Rural ratepayers benefit the least
- Benefits from all services are equal for Feilding Rural and Feilding Residential Ratepayers.

Tell us what you think

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